

# Creating a World-Class Facilities Planning and Management Operation

By

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## Background

Six and one-half years ago the Facilities Planning and Management (FP&M) operation at Iowa State University launched a quality journey to become a world-class organization in support of ISU's tripartite mission of "Learning, Discovery, and Engagement" and its aspiration to be the best land grant institution in the nation. FP&M's on-going processes were not broken. We had been doing "**things right**" for a number of years. However, to cope with the tumultuous changes taking place in the world, we needed to look at whether we were actually doing the "**right things**." In other words, we needed to do the "**right things right**" in order to compete and move forward to become a leading edge organization. Like a gold medal Olympic athlete, in order to become world class, an individual employee must become the best, and then become first to create a world-class organization. After all, the organization is only as good as the people in it, and its success hinges on what each individual contributes towards its well being.

*Quality is doing the job right every time, but perfection is doing the right job right every time.*

The need to move our organization a notch up became evident as we strived to meet the challenges of the tumultuous changes taking place in our world today. In order to meet the challenges of the 21<sup>st</sup> century, we have shifted from organizational focus to a process focus.<sup>1</sup>

In order to develop a world-class organization we are using the following:

1. The Malcolm Baldrige Seven Criteria of Management System (Leadership, Strategic Planning, Customer Focus, Information and Analysis, Creative Human Resources Focus, Process Management, and Business Results) for organization design in building employee self equity and organization equity.
2. Balanced Scorecard Plus, Drs. Kaplan and Norton's four perspectives-- Financial, Customer Focus, Internal Processes, Learning and Growth--with the addition of two other criteria-- Information Technology and Knowledge Management--for metrics.
3. Lean Principles and Six Sigma methodologies for process improvements by removing waste and reducing errors in our processes.

In developing a "learning and teaching" organization, we have been creating an environment capable of developing "**knowledge-based workers**"—workers who have the necessary skills sets to motivate themselves and others (volunteer versus conscripted) to respond to the customers' requirements of better, cheaper, faster goods, products, and services with fact-based, data-driven and knowledge-based information to derive world-class goods, products, and services. We have emphasized this philosophy at three administrative levels in our organization—business, operation, and process. By having profound knowledge of what they do and how they do it, knowledge-based workers are the new warriors of the next century. They are agile, adaptable, and able to anticipate and cope with any necessary changes.

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<sup>1</sup> "Process Management," article by Christopher K. Ahoy, Facilities Manager magazine, Association of Higher Education Facilities Officer, APPA, 1643 Prince Street, Alexandria VA 22314.

## Purpose

Our initial purpose was to create awareness and an in-depth understanding of a world-class operation-- what it takes to move an organization forward to meet the challenges of the 21<sup>st</sup> century. The commitment to create current and future leaders of FP&M requires that we instill the precepts of a learning and teaching organization. The staff must be able to meet or exceed customer satisfaction for goods, products, and services, better, cheaper, and faster than the competition. In other words, an organization with a world-class capability critical to meet the customers' needs must be knowledge-based, data-driven, and fact-based.

## Goals

1. To develop shared values and a common language from a common body of knowledge, and to create an understanding regarding concepts of management theory, focusing more specifically on the methods than on the doing.
2. To promote a **World Class Operation**--In March 1997 a **twelve-year** quality journey began for Facilities Planning and Management with a stated aspiration that we become a **world-class** operation by the year 2008. This was to support Iowa State University's mission to be the best land grant institution in the nation. We are now half way to this mark through a "learning and teaching" organization. We have accomplished many tasks in the past six and one-half years in moving forward with a shared vision in support of the university's tripartite mission of "**learning, discovery, and engagement.**"
3. To promote inter-departmental, cross-functional process management effectiveness by developing cross-functional relationships to assure a greater continuity of collaboration, creating high level **anticipatory** communications and problem solving among the Service Groups within FP&M critical to customer requirements and customer satisfaction.
4. To share successes with other organizations and benchmark our progress in our continuous and never-ending quality improvement of processes.

## What is a world-class operation?

A world-class operation is an organization that becomes the best and sustains itself as the best in it's field. Another way to look at world-class is to equate the effort of the individuals or process owners in an organization to that of an Olympic athlete who hones his/her skills to become the best in class in a particular classification. Therefore, like many world-class athletes there could be many world-class process owners within organizations in the same field of endeavor.<sup>2</sup> In order to retain world-class status, an organization must move from performance excellence to strategic process management excellence.

A world-class operation is also an enterprise that is driven by customer-based focus in a relentless pursuit of going beyond excellence to become outstanding. A world-class operation is a leader and sustains its competitiveness through continuous quality improvements (CQI). I add to this: classification, continuous and never-ending quality improvements (CANEQI). A fluid, flexible, agile, or virtual organization promotes a healthy value of empowering employees through a creative Human Resources Management system, ever mindful of employee developmental needs, in order to meet the rigorous demands of an

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<sup>2</sup> "World-Class Operation," article by Christopher K. Ahoy. Facilities News Bulletin dated August 1997. Facilities Planning and Management, Iowa State University. Ames, Iowa. URL.[www.fpm.iastate.edu](http://www.fpm.iastate.edu)

ever-changing job situation. “A world-class organization can be described as being the best in class, or better than its competitors around the world, at least in several strategically important areas.”<sup>3</sup>

## What is World Class?

World class is being best in its class. It is the aspiration most individuals or organization wish to attain--a stature to be in a position to receive recognition and wealth. In order to help my staff understand the nature of a World Class operation, I put the world class definition into two areas of emphasis, namely:

1. Competitive and
2. Leading Edge

**Competitive**—Competition is the ingredient necessary for an organization seeking to produce similar goods, products, and/or services equal to or better than its competitors for customer satisfaction. One needs to be competitive because customers seek to acquire goods, products, and/or services of better quality, cheaper cost, and timely availability--“better, cheaper, and faster.”

**Leading Edge**—Leading edge has two parts to its definition. Individuals or organizations need to be the **best**, and then become **first** in the area of interest or expertise. Being world class is the ability of an organization to replicate high quality goods, products, or services at the least cost, with quicker delivery than its competitors, and at the same time responding to the critical needs of the customer.

## World Class Paradigms

Paradigms are rules we live by that have developed over one’s lifetime from various sources that impact our development--such as upbringing, religion, society, and family traits. They help us navigate through the intricacies of life. World-class paradigms include the following:

- Quality--Competitiveness
- Holistic--System thinking
- Attitude--Anywhere, Anyplace, Anytime
- Agility--Quick to accept change
- Anticipation--Sense of Urgency
- Faster--Speed of Delivery
- Creating--“Moments of Magic”
- Understanding--Customer expectations and delivering them - “ONE PLUS MORE”
- CQI--Continuous Quality Improvement

The aspiration to become the nation’s premier land-grant institution was set forth in three separate strategic plans<sup>4</sup> for Iowa State University that guides the University’s development from 1990 to 1995, and from 1995-2005. I was privileged to be one of the twenty-two members of the committee who prepared the new plan to enable the university to continue on it’s journey to meet it’s aspiration of pursuing excellence as Iowa’s engaged land-grant university. A responsible engaged institution is characterized by:

- *Responsiveness* to clients and stakeholders
- *Respect for partners* in education

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<sup>3</sup> “Beyond Total Quality Management”, by Drs. Sang Lee and Fred Luthans. Advance Management Seminar, Business Seminars Department of Management, College of Business Administration University of Nebraska-Lincoln. 1996. Lincoln Nebraska.

<sup>4</sup> Iowa State University Strategic Plan for 2000-2005. Pursuing Excellence as Iowa’s *Engaged* Land Grant University. April 2000

- *Academic neutrality* in serving as resource
- *Accessibility* for all of constituencies
- *Integration* of its mission with its responsibilities
- *Coordination* among university entities working in concert with each other
- *Resource partnerships* with government, business, and the non-profit world

#### What are the necessary ingredients to shape an organization to become world class?

There are basically three categories to be developed in any organization to achieve a world-class status. These categories are: (1) developing a world-class **attitude** with respect to work and environment; (2) managing “things” and leading people by focusing on **processes** to meet the challenges of today’s rapid changes in a global economy (our stakeholders are asking us to provide quality of services and products quicker, cheaper, faster); and (3) providing the appropriate **tools** and the right kind of **training** to our staff to become knowledge-based workers for the 21<sup>st</sup> century.

#### **Accomplishments**

Among the many accolades received individually and organizationally in the last six and one-half years, the most recent recognition was The Association of Higher Education Facilities Officers’ (APPA) highest institutional honor--*The Award for Excellence in Facilities Management*" to Iowa State University’s Associate Vice President for Facilities, Christopher Ahoy, and his team in Facilities Planning and Management.

The Award for Excellence is the result of an in-depth review and verification of the high level of excellence in the quality processes used and results achieved by the Facilities Planning and Management Department covering such areas as: purpose and goals; organization and resources; policies and procedures; communications and quality of relationships; and divisional planning. The APPA award committee commented that "The ISU Facilities Planning and Management Department has met, and in some cases exceeded, the established requirements to receive this award."

The Award provides education facilities professionals and their institutions with the opportunity to receive state, regional, and international recognition for their outstanding achievement of excellence in facilities management. A formal recognition presentation was made during APPA's Educational Facilities Leadership Forum at the closing banquet on the evening of Tuesday, July 29, 2003, at the Gaylord Opryland Hotel in Nashville, Tennessee.

See you at the CMAA Presentation on Tuesday, September 9, 2003, which focuses on the following agenda:

- What is World Class?
- Why World Class?
- How to get there?
- How to make it work?
  - Baldrige
  - Balance Scorecard Plus
  - Lean & Six sigma
- How long will it take?
- Where is ISU/FP&M in this Quality Journey?
- Questions and Answers